

## Message Text

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64

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-05 NSAE-00 PA-01

RSC-01 USIA-06 PRS-01 SP-02 EUR-12 /039 W

----- 078427

R 221825Z NOV 74

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 6573

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

C O N F I D E N T I A L BRASILIA 8844

E. O. 11652: GDS

TAGS: EIND, BR

LIGHT SERVICOS DE ELECTRICIDADE, SA

REF: STATE 252939

1. CONGEN SAO PAULO REPORTS INFORMATION CONTAINED FOLLOWING PARA REGARDING REPORTS ON NEGOTIATIONS BETWEEN GOB AND SAO PAULO ELECTRICITY COMPANY LIGHT SA. EMBASSY, HOWEVER, QUESTIONS PROPRIETY OF PASSING ANY OF THIS INFORMATION TO NEWSWEEK MAGAZINE SINCE PARTIES INVOLVED OBVIOUSLY DO NOT WISH PUBLIC DISCLOSURE AND NO US DIRECT INTERESTS ARE INVOLVED. DEPT. MIGHT SUGGEST THAT NEWSWEEK ADDRESS ITS QUESTIONS TO CANADIAN GOVERNMENT.

2. RUMORS THAT NEGOTIATIONS BETWEEN THE GOB AND LIGHT SA HAVE BEEN RIFE IN SAO PAULO FOR THE PAST TWO WEEKS. CURRENT REPORTS ARE THAT THE CANDIAN COMPANY, BRASCAN LTD. OF TORONTO, CANADA, WHICH OWNS LIGHT, IS WILLING TO SELL ITS INVESTMENT TO THE GOB FOR A CASH PAYMENT OF APPROXIMATELY \$180 MILLION. IT IS BELIEVED, HOWEVER, THAT THE GOB WOULD PREFER TO PURCHASE LIGHT WITH PAYMENTS STRETCHED OUT OVER A PERIOD OF 40 YEARS TO INCLUDE A RATE OF INTEREST YET TO BE DETERMINED. CONGEN SAO PAULO HAS CONTACTED LIGHT EXECUTIVES INFORMALLY AND THEY HAVE GUARDEDLY ADMITTED THAT NEGOTIATIONS ARE, IN FACT, CURRENTLY TAKING PLACE BUT THAT A FINAL COMMITMENT MAY NOT BE MADE FOR SEVERAL WEEKS OR  
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EVEN MONTHS.

CRIMMINS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, PUBLIC DISCLOSURE, BUSINESS FIRMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 NOV 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION ARA  
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**Original Handling Restrictions:** n/a  
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**Reference:** STATE 252939  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 APR 2002 by kelleyw0>; APPROVED <24 MAR 2003 by KelleyW0>  
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30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**TAGS:** EIND, BR  
**To:** STATE  
**Type:** TE  
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